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RUEHCV/AMEMBASSY CARACAS PRIORITY 3016
RUEHLP/AMEMBASSY LA PAZ MAY 1043
RUEHPE/AMEMBASSY LIMA PRIORITY 2586
RUEHGL/AMCONSUL GUAYAQUIL PRIORITY 3532

C O N F I D E N T I A L QUITO 000404

SIPDIS

E.O. 12958: DECL: 05/07/2018
TAGS: [ECON](#) [ETRN](#) [EAIR](#) [SENV](#) [ECON](#) [EC](#)
SUBJECT: THIRD TIME'S THE CHARM? CORREA'S NEW TRANSPORT
MINISTER

REF: 07 QUITO 2571

Classified By: Ambassador Linda Jewell. Reason: 1.4 B and D.

11. (SBU) Summary: Ambassador met with the third Transport Minister of President Correa's administration, Jorge Marun, on May 5, and was told that President Correa "wants an Open Skies agreement." Marun, a civil engineer by trade who is from the agricultural province of Bolivar, has the air of an efficient businessperson, and provided a clear summary of the GOE's plans to expand Ecuador's road system. End summary.

12. (U) Marun took office on December 1, 2007 and since that time has announced numerous new initiatives to expand roads and build new provincial airports in January. When Ecuador was hit by massive flooding in early February, Marun began visiting the most severely affected coastal regions. While he faced criticism at that time for not doing enough, he was quick to reply (and pointed out to the Ambassador as well) that the Ministry has a budget of just \$300 million per year, and that virtually no major road repairs or expansion projects have taken place in the last fifteen years. (Comment: this conveniently overlooks the \$100 million plus in emergency funding for road construction made available to the Ecuadorian Army Corps of Engineers a year ago that has only slowly been implemented.) Marun told the Ambassador that the Ministry is working overtime to help advance flooding clean-up operations, but that continuing rain hinders those efforts.

13. (SBU) Marun was the first Minister of Correa's government to visit the new Quito airport project, also in January. He told Ambassador that he believes that it is a good project. He said the GOE is still concerned that the Quito airport should share "something" with the central government in order to generate cash for the development of regional airports, but added that the Ministry is now in talks with both the Municipality of Quito and the airport concessionaire, joint-venture company Quiport (which includes Houston Airport Systems as a partner, and which has obtained financing from OPIC and ExIm Bank, refTel).

14. (SBU) When the Ambassador brought up the topic of an Open Skies agreement, Minister Marun broke in to say that President Correa "wants Open Skies." (Comment: it was obvious that Marun was familiar with the proposal, and probably expected our inquiry). Marun said he would ask his Under Secretary for Aviation and Airports to begin consultations with the Embassy on this topic.

15. (U) Finally, Marun used a map hanging in his reception room to show the Ambassador the GOE's ongoing plans to move forward with the Manta-Manaus intermodal transport link, saying that Argentine investment had been secured to expand

port facilities on the River Napo. He also detailed plans to build a coastal road the length of Ecuador, and commented that plans are being considered to expand the PanAmerican highway (Ecuador's major north-south road) to multiple lanes in the heavily traveled regions north and south of Quito.

¶6. (C) Comment: Marun has an efficient, business-oriented demeanor. He owns fields that produce bananas, cacao and rice for export to Dole Food Company. When he was first appointed, post noted corruption allegations that had been levied against him during his previous tenure as a provincial official; we have so far not heard any such rumblings as Minister. In contrast to his predecessor, Marun is to-the-point, appears well-organized, and hopefully will prove to be a productive leader for what has so far been a very disorganized ministry. End comment.
Jewell